

MICHIGAN CHAMBER OF COMMERCE  
OFFICIAL POLICY  
RELATING TO  
MICHIGAN'S TELECOMMUNICATIONS ACT

APPROVED BY  
BOARD OF DIRECTORS  
SEPTEMBER 14, 2005

The Michigan Telecommunications Act (MTA) establishes a state regulatory framework for an important industry that continues to transform itself due to emerging technologies, evolving customer demands, and regulatory developments at the federal level. Since enactment in 1991, the MTA has been revised and updated on several occasions to reflect changes in technology, markets and the regulatory environment. In keeping with this legislative history, the Michigan Chamber supports revising and updating the MTA before the law sunsets on December 31, 2005 in a way that continues to provide certainty and predictability in Michigan's pro-competitive telecommunications policy.

The Michigan Chamber supports legislation to amend the MTA so that all providers are able to compete freely and fairly. To carry out this pro-competitive policy, the Chamber advocates the following:

- Maintain the role of the Public Service Commission (PSC) as the arbitrator of disputes between providers and retain existing state regulatory authority over wholesale matters, including interconnection agreements.
- Maintain adequate consumer protections such as prohibiting slamming or cramming.
- Maintain retail price regulation on essential residential telephone service so that customers have a basic option available with PSC oversight.
- Preserve the current prohibited conduct provisions of the Act.
- Allow providers to offer other retail services and combinations of retail services without PSC price regulation.
- Prohibit schools from selling or disposing of excess network capacity for competitive purposes.
- Allow local governments to invest in networks for internal purposes, but prohibit competition against the private sector.
- Maintain the current requirement that state regulations be consistent with federal regulations.

- Ensure that providers investing in network infrastructure in Michigan are not subject to state rules that are more burdensome than federal regulations.
- Maintain the PSC's role in administering and enforcing state and federal regulations.
- Retain the requirement that the PSC prepare an annual progress report to the Legislature on the state of telecommunications competition in Michigan and revising the report to include additional information from public sources on the level of competition.

Due to a lack of consensus within our membership, the Michigan Chamber takes no position on the franchise issue.